

Richmond Housing Partnership

Scheme Consolidation Summary

SDS ProVal Version 8.20 Apr-2013

Memorandum Information

Consolidation Name

Prepared By gfox
Version 1
File Path

Comments

Date 27 Jun 2016

This File Last Saved

Total Units 23

Schemes 2

Check Defaults Validation X

Key

- GN General Needs
- LCHO Low Cost Home Ownership
- NPV Net Present Value
- NRS Net Revenue Stream
- SH Supported Housing
- SPPA Special Projects Promotional Allowance

Schemes in this Consolidation

	Units	Scheme Type	Appraisal Date	Local Authority
1 Informer House	5	LCHO	31 May 2016	Richmond-upon-Thames
2 Informer House	18	GN	16 Jun 2016	Richmond-upon-Thames

Scheme Capital Costs - All Schemes

	Units	Per Unit
Acquisition	2,100,000	91,304
Works	6,000,000	260,870
Persons	59	3
On-Costs (Fees & Interest)	1,248,694	54,291
Non Qualifying (incl. SPPA) & Other Costs	0	0
TOTAL SCHEME COST	9,348,694	406,465
Market Value (MV)	10,705,000	465,435
Cost:Value % TSC/MV	87.3%	
SHG Claimed (incl SPPA)	690,000	30,000
Other Grant or Subsidy	900,000	39,130
Initial Sales Receipts	610,000	26,522
Loan Adjustm't	0	0
Capital Contrib'	0	0
Net Loan	7,148,694	310,813

Development Cashflows

	First Event	Last Event	PC or Last Sale Date	Check for Errors in Scheme Cashflow
1 Informer House	Oct 2016	Dec 2018	Dec 2018	
2 Informer House	Oct 2016	May 2018	Apr 2018	

Long Term Cashflow

	Date Into Managem't	First Income Received, Y/E	Last Income Received, Y/E
1 Informer House	Dec 2018	Mar 2019	Mar 2064
2 Informer House	Apr 2018	Mar 2019	Mar 2064

Financial Assumptions & Summary

Specified Month for End of Year 1 Loan Repayment	Mar	Interest Only Method	7,885,917 Peak Loan Occurs in Yr.32 Oct 2050
Cashflow Calculated to Year	35	-	Year 14 Income First Exceeds Costs
Min Int. Cover -256.4% Occurs in Yr.30 Apr 2048	Interest Rates Year 1 to 10 3.50% Year 11 to 20 3.50% Year 21 to 60 3.50%		After year 45 Loan Repaid.
Net Present Value (NPV) Discount Rate	4.11% over 35 years		0 Cumulative Balance at Year 35
NPV Calculation Option	Net Rent/Rec'ts/Cap. Val. - Loan		-2,688,489 NPV Net Rent/Rec'ts/Cap. Val. - Loan
NPV of Net Rent at Year 1	3,764,873	IRR 1.06%	3,091,631 Capitalised Year 1 Rev. Deficit
Residual Cap. Value of Schemes at Year 1	0	Gross Yield 1.9%	
NPV of all Loans at Year 1	7,093,714	Net Yield -0.4%	90,000 Total to Grant Recycling Fund
NPV of all Cap. Rec'pts at Year 1	640,352		See 'Scheme Appraisal Details - Long Term Cashflows' for grant deferred after st'csg

Richmond Housing Partnership

Summary

SDS ProVal Version 7.24 Aug-2011

Scheme Name

Informer House

Date **31 May 2016**

Address

Appraisal by **awheeler**

Funding Year

2016/2017

Seller

Local Authority

Richmond-upon-Thames

Site Area (acs)

0 ha

Sale Programme

Shared ownership

Defaults Validation Check

X See Defaults Validation for details

Units

23

Appraisal Version

1

Unit Details

	A	B	C	D	E	F	G	H	Totals & Averages
Dwelling Description	2b3p	1b2p	1b2p	2b3p	2b3p	2b3p	1b2p	2b3p	
Floor Area (m ²)	65.0	51.0	55.0	77.0	64.0	62.0	51.0	77.0	1,337
Rent/Other Charges p.w.	171.40	130.98	133.40	177.87	174.64	171.40	131.79	178.68	150.52
Units	1	2	2	1	1	1	2	1	23
Open Market Value	530,000	405,000	412,500	550,000	540,000	530,000	407,500	552,500	465,435
Equity % to be Sold	25%	25%	25%	25%	25%	25%	25%	25%	25%
Total Cost* p.w.	331.04	252.97	257.65	343.53	337.29	331.04	254.53	345.09	290.71
Persons	3	2	2	3	3	3	2	3	17,609
Total Cost*/H'hd Earn'gs	38%	29%	30%	30%	29%	29%	52%	52%	86%
LCHO/Full Sale Cost %	52%	52%	52%	52%	52%	52%	52%	52%	52%
	I	J	K	L	M	N	O	P	
Dwelling Description	1b2p	1b2p	2bed 3p	1b2p	2b3p	2b3p	2b3p	1b2p	Aff. Equity on H'ha
Floor Area (m ²)	51.0	51.0	65.0	51.0	64.0	62.0	65.0	51.0	Earn'gs & 35%
Rent/Other Charges p.w.	132.59	130.17	173.83	133.40	175.44	172.21	173.83	134.21	Target
Units	2	2	2	2	1	1	1	1	Cost*/Earn'gs is
Open Market Value	410,000	402,500	537,500	412,500	542,500	532,500	537,500	415,000	* Total Cost
Equity % to be Sold	25%	25%	25%	25%	25%	25%	25%	25%	includes
Total Cost* p.w.	256.09	251.41	335.73	257.65	338.84	332.60	335.73	259.21	mortgage
Persons	2	2	3	3	3	3	3	3	repayment,
Total Cost*/H'hd Earn'gs									rent and any
LCHO/Full Sale Cost %	52%	52%	52%	52%	52%	52%	52%	52%	other charges

Actual Set Rent % of Unsold Equity 2.25%

Purchaser's Mortgage Interest Rate APR 4.00%, Term 25 years.

Qualifying Costs

	Total	Average per Unit	Average per Person		
Acquisition	2,100,000	91,304	35,593		
Works	6,000,000	260,870	101,695	4,488 /m ² hfa	4,488 /m ² gfa
	8,100,000	352,174	137,288		
Assumed On-Costs	0	0	0		
Sub Total	8,100,000	352,174	137,288		
Discount from On-costs	0	0	0		
Total Qualifying Costs	8,100,000	352,174	137,288		

On-Costs Comparison

Actual On-costs excl. Interest	895,400
Default Interest Cost	640,682
Total On-Costs	1,536,082
Assumed On-Costs	0
Deficit	1,536,082

RSL Funding

Sales Receipts & Adv. Inc.	2,676,250
Cap. Contrib. & Adjust's.	6,269,832
Net Loan	8,946,082
Total	388,960

Total	Per Unit	Per Person	% of TSC
2,676,250	116,359	45,360	27.8%
6,269,832	272,601	106,268	65.1%
8,946,082	388,960	151,629	92.8%

Public & Other Funding

SHG Incl. OPS	690,000	30,000	11,695	7.2%
RCGF	0	0	0	0.00%
Other Grant	0	0	0	0.00%
Total	690,000	30,000	11,695	7.2%

Total Scheme Costs

Total Qualifying Cost	8,100,000
Add On-Cost Deficit	1,536,082
Non-Qualifying Costs	0
Non-Qualifying Costs	0
Total Scheme Costs (TSC)	9,636,082

Allowances Management 100 Per unit, p.a.
Other Costs
Voids & Bad Debts 1.00%

Private Finance

Total Scheme Costs - as Section H	9,636,082	% of TSC
Gross SHG	690,000	7.2%
Other Grant	0	0.0%
Advance Rent Income	0	0.0%
Sales Receipts	2,676,250	27.8%
IRR	0	0.0%
RSL Capital Contribution	0	0.0%
Nett Loan	6,269,832	65.1%

Interest Rates	Loan A	Loan B
Loan Amounts	6,269,832	0
Year 1 to 10	3.50%	
Year 11 to 20	3.50%	
Year 21 to 45	3.50%	

Inflation Rates

Base Inflation	2.00%
Rents	
Year 1 to 35	3.00%
Year 36 to 45	3.00%
Management	Year 1 to 45 3.00%
Other Costs	Year 1 to 45 3.00%
Market Values	Year 1 to 45 2.00%

Long Term Cashflow

Peak Loan Occurs in Year 5	6,427,418
Revenue First Exceeds Costs	Year 6
Loan Repaid by	Year 28

Loan Repayment Method Interest Only

	Per Unit	Per Person
Max. Annual Deficit: Year 1	-40,089	-1,743
Capitalised Yr. 1 Net Revenue Deficit	1,145,367	49,799
Cum. Surplus at Year 35	3,824,373	166,277
NPV Net Rent/Rec'ts/Cap. Val. - Loan	202,336	8,797
IRR	4.71%	Gross Yield 1.71%
NPV of Net Rent Only	3,714,119	Net Yield 0.46%

Summarise Cashflow Results to Year 35
Chosen NPV Calculation Net Rent + Cap. Val. - Loan
NPV Discount Rate 4.50%

Capital Value of Scheme - Year 1
Capital Growth Rate p.a. 3.50%
Discounted Cap. Value

Staircasing Details

75% Unsold Equity	8,028,750
Equity % Staircased in Cashflow	45.00%
Equity % Remaining	30.00%
Grant Recycling Fund at Year 35	414,000
Grant Deferred at Year 35	0

Interest Total 4,108,695
Min. Interest Cover: Year 1 81.49%
Target Interest Cover % 105.00%
First met after Year 1 in Year 6